RULES AND REGULATIONS

ADOPTED BY THE

President and Directors

OF THE

MONTREAL BANK,

FOR THEIR OWN GOVERNMENT, AND FOR PRESCRIBING THE RESPECTIVE DUTIES OF THE PRESIDENT, CASHIER, AND SUBORDINATE OFFICERS OF THE BANK.

First.—The Bank shall be opened, and kept open for the transaction of business, from nine o'clock in the morning until three o'clock in the afternoon, from the first of May until the first of November; and from the first of November until the first May, from ten o'clock in the morning until three o'clock in the afternoon, every day in the year except on Sundays, the first of January, Epiphany, Annunciation, Ascension, Good Friday, His Majesty's birth day, Corpus Christi, or Fete Dieu, St. Pierre and St. Paul, Assumption, All Saints, Conception and Christmas days; which days shall be considered as Holy-days, on which no business shall be transacted at the Bank, and the Cashier shall affix in some conspicuous place in the Bank, a notice to that effect.

Second.—There shall be a common Seal to be provided by the board of Directors, and deposited in the Bank under the controul of the President. It shall be his duty pursuant to the votes of the board of Directors, to affix the same to all conveyances or other instruments where it may be necessary, which shall be executed by him in his official capacity, in behalf of the association.

Third.—In all cases where a member of this association may vote by proxy, or when any transfer is made, or dividend received, or other act done by attorney, such proxy shall be

held to produce his original authority or letter of attorney, and deposite the same with the Cashier.

Fourth.—The stock of every member of this Association, shall be considered to be pledged to the Company for any and all monies which such member may at any time owe the Bank; and the board of Directors may, if they see cause, refuse to make any transfer, or pay any dividend upon such Stock, until such debt is fully discharged.

Fifth.—The Bank may take charge of the cash of all such persons as shall choose to place it there free of expence, and shall keep it subject to the order of the depositor, payable at sight; and may also receive deposits of ingots of gold, bars of silver, wrought plate, or other valuable articles of small bulk, for safe keeping, at the risk of the depositor.

Sixth.—The President or Vice-President shall preside at the meeting of the board of Directors, and in their absence, or in the absence of the person by them appointed to fill their respective places, agreeable to the ~~twelfth~~ *Sixth Section* ~~rule~~ of the ~~Articles~~ of ~~Association~~ *Incorporation*, the board shall choose a President *pro. tem.*

Seventh.—The duty of the Directors shall be divided into weekly committees, viz. the President *or* Vice President, whose duty it will be to attend daily with one Director, who shall be styled the Director of the week; and during the recess of the board, shall manage such concerns of the Bank as do not require the advice and interference of the full board, or a greater number of Directors; but in all cases notes which may have been acted upon by the board shall not be altered by them. When a Note may have been wholly omitted by accident, the weekly Committee shall be authorised to give such directions concerning such note as they may think advisable. It shall be the duty of the Directors for the week to report to the board, at their next meeting, all doings at the Bank, in their official capacity.

Eighth.—The days of discount shall be Tuesday and Friday of each week, and the Directors shall assemble on those days at ten o'clock, precisely, for the purpose of Discount-

counting, except any of the Holy-days observed by the Bank should fall on those days, then the Directors shall meet on the succeeding day.

Ninth.—A majority of votes shall determine all questions, except in cases of discount, when two of the board voting in the negative, shall be sufficient to check the passing of a Note; and all decisions shall be by Ballot.

Tenth.—All bills and notes offered for discount, shall be delivered in the Bank on Monday and Thursday in each week, and laid before the board of Directors by the Cashier on the succeeding Tuesday and Friday at ten o'clock, together with a statement of the funds and situation of the Bank, on which days the discount shall be settled, and such as are admitted shall be paid or placed to the credit of the applicants on the day on which they are discounted, and may be drawn for at any time after one o'clock, and the Notes or Bills not discounted, shall be returned at any time after one o'clock on the same day.

Eleventh.—Discount shall not be made for a longer time than sixty days, and the usual grace, unless by an unanimous vote of the Directors, present at ~~a meeting of~~ the board, and no discount shall be made without two responsible names; but if property, as shall be approved by the board, be deposited and pledged to an amount sufficient to secure the payment with all damages, then one responsible name may be taken.

Twelfth.—Notes of Hand, Bills of Acceptance, and all other Negociable Notes and Bills, may be discounted without the endorsement of the applicant, by an unanimous vote of the Directors present, and no renewal of a note shall be made without at least ten per cent of the amount be paid, except by the unanimous vote of the Directors present.

Thirteenth.—The firm of a house in trade shall not to be taken at the Bank, unless they shall in writing make known at the Bank, the names of the partners composing the same, and the firm of a house to be considered as one name only.

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Fourteenth.—Every person who opens an account, and transacts business with this Bank, besides subscribing to the Sixth clause of the fundamental articles of this association as is therein provided, shall also subscribe his name in a book to be kept for that purpose, to be called *The Book of Signatures*, and all persons who compose any house keeping an account with this Bank, shall subscribe their names, and the signature of the firm in this book, if residing in Montreal.

Fifteenth.—No credit sha'l be given on any pretence whatever to any person who may be at the time a *delinquent* debtor at the Bank, whether the *delinquency* be on paper discounted or left for collection, as promisor or endorser.—And in order that the board may be enabled to carry this regulation into exact operation, it shall be the duty of the Cashier to lay before the board at each meeting for discount, the names of all delinquent debtors, designating those on discount, and those on collection notes.

Sixteenth.—Discounts may be made on notes payable to the President and Directors of the Bank, on such personal pledges and other securities as the board of Directors may deem expedient, consistently with the Eleventh article.

Seventeenth.—All transfers for collateral security, shall be made to the President and Directors of the Montreal Bank, and the President is hereby authorized to transfer such security on payment of the debt for which it is pledged.

Eighteenth.—Whenever a discounted note shall have remained delinquent, it shall be the duty of the Cashier to enclose the same to the Solicitor of the Bank, to be put in suit, unless otherwise ordered by the ~~President or Vice-President and Director of the Week~~ board.

Nineteenth.—Persons leaving notes for collection, shall be required to leave a memorandum of them at the same time, and in case of non-payment or protest, the person lodging the same shall pay the charges before the notes are returned. The Cashier shall put up a notice of this regulation in some conspicuous place in the Bank.

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Twentieth.—A Notice of the following tenor, signed by the Cashier, shall be affixed in some conspicuous place in the Bank.

NOTICE.

Whereas notes and bills may be left at the Bank for collection, it may sometimes happen that omissions in notifying the parties or other informalities or mistakes respecting such notes or bills may take place, whereby damage may acrue to the proprietors of them, or other parties concerned; Public Notice is therefore hereby given, that the Directors of this institution, consider such notes and bills as left wholly at the risk of the persons leaving the same, and that the Bank will be responsible only for monies actually received in payment thereof, but not for any omissions, informalities, or mistakes whatever.

By order of the Directors,
Signed , Cashier.

Twenty first—Notes and Bills left for collection must be lodged at the Bank, three days at least before they become due, and none under twenty-five pounds will be received.

Twenty second.—No individual or Co-partnership shall be responsible as promisor, or first endorser, or both, to an amount exceeding ten thousand pounds currency, unless the surplus be discounted on collateral security.

Twenty-third.—No Director without special authority from the board shall be permitted to inspect the cash account of any person with this Bank.

Twenty fourth.—It shall be the duty of the President, and in his absence, the Vice-President, to sign the bills and post notes of the Bank, and to deliver them when signed to the Cashier, who shall give duplicate receipts therefore, one of which receipts to be taken in a book especially to be kept by the President or Vice-President for that purpose; the other receipt to be lodged with the Accountant for the time being, who on leaving his office in the Bank, shall deliver the said receipts to his successor, unless otherwise directed by the board of Directors.

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Twenty fifth.—It shall be the duty of the President, or in his absence the duty of the Vice-President, to inspect the Vaults, and other apartments of the Bank once a-week, in company with the Cashier and the Director of the week, to take an exact account of the Bank bills, post notes and money on hand, at least once in two months, or as much oftener, and at such times as the President or Vice-President may think proper to appoint, and the report of the President or Vice President, and of the said Director, shall be recorded on the Books of the Bank, and signed by them; to report fully and promptly to the Directors any circumstance affecting the interest of the Bank, which may come to his knowledge, or which may be communicated to him by the officers of the Bank, or any other persons; to examine bonds given by the officers of the Bank, to retain in his possession that given by the Cashier, and to deliver over the others to him for safe keeping; to cause a special meeting of the Directors whenever the circumstances of the Bank may in his opinion require it, and when this is the case, to see that notice in writing be sent to each Director; and more particularly it shall be his duty to cause the books and accounts of the Bank to be kept in a plain, regular, and methodical manner.

Twenty sixth.—It shall be the duty of the Cashier to cause the officers, clerks, and servants of the Bank, to attend to, and execute their respective duties, in conformity to such rules and regulations, as may be prescribed by the board of Directors; to take the general superintendance of the concerns of the Bank, and in case of actual delinquency, negligence, or improper conduct, or in case of suspicion thereof, of any person employed therein, to make an immediate and full ~~confession~~ communication to the President or Vice-President of the knowledge he may possess, or of the suspicions he may entertain respecting such persons; to present to the Directors at every meeting, an exhibit of the state of the Bank, to countersign at the Bank all bills or notes signed, or to be signed by the President or Vice-President, or by order of the board, to see that the books and accounts are kept in an orderly and methodical manner, under the direction of the President or Vice President, and never to suffer them to be behind the business of the day, to the end that, whenever, a clear and perfect exhibit of the state of the Bank shall be required, it may

may be speedily procured. Daily to examine the settlement of the cash accounts of the Bank; and, whenever, the actual amount disagrees with the balance thereof, report the same to the President and Directors without delay. The Cashier shall have charge of all the bills, notes, obligations, money, deposits and pledges: at the close of the business of each day, he shall have the whole thereof in his possession, and see that the same are safely deposited in the Vaults of the Bank, one of the keys of which shall always remain in his possession. It shall also be the duty of the Cashier, with the approbation of the President or Vice President to procure the necessary books, scales, weights and stationary for the use of the Bank. It shall also be the duty of the Cashier to record the votes and proceedings of the board of Directors; promptly to furnish a copy of all resolutions of the board, to any of the Directors who may apply therefore; and, whenever a committee is appointed, it shall be his duty to give notice in writing to the chairman of the appointment, and its object if requested.

Twenty seventh.—It shall be the duty of the first Teller to make all payments from the Bank, and to receive payments for notes and bills when due; he shall account daily or oftener if required with the Cashier for all sums he may receive, and in case of deficiency, he shall be responsible for the amount thereof. All checks on this Bank received by the Teller, shall be delivered in on the day of their receipt to the accountant or Book keeper to be by him entered, and if the Teller shall pay any check drawn on this Bank, the person drawing the same not having the amount thereof to his credit in the Bank, he shall be charged with the amount overdrawn, provided the same was without application to the Book keeper; but if the Book-keeper shall have declared the check to be good, he shall be responsible for the sum overdrawn.

Twenty eighth.—It shall be the duty of the second Teller to receive all money, bills or checks brought to the Bank to be deposited, and to enter the same to the credit of the person depositing, or to the credit of such person as the depositor shall direct; also to receive payment of all notes left for collection, and all notes and bills discounted when the pro-

proprietors of the same, shall request the amount thereof, to be passed to their credit in the Bank The second Teller shall be held to account with the Cashier daily, or oftener if required for all his receipts, or he shall account with the first Teller, if directed to do so by the Cashier.

Twenty ninth.—The Book-keepers shall keep the accounts of the Bank in a conspicuous and methodical manner; they shall furnish statements from the books, whenever required so to do by the President, Directors, or Cashier; they shall keep the books regularly balanced, and the ledger in use shall always exhibit all the accounts of the Bank. The second Book keeper shall render all the assistance in his power to the first Book keeper, and in his absence shall take his place; together it shall be their duty to complete monthly to the end of each preceding month, all the entries in the check book of the depositors as speedily as possible; the first Book-keeper shall make all entries from the cash-book to the ledger, and the same shall be entered before the succeeding day. The second Book keeper shall enter into the cash-book, the receipts and payments of the Tellers, the latter in alphabetical order, keeping the several payments to each person, as much as possible together; the amounts of each day to be entered and examined and to agree with those of the Tellers before either of these leave the Bank. The Book-keepers shall collect and assort the checks each day, and shall stamp a hole therein, and write on the cover the day on which they were received, and at the end of the month, deliver the said checks (after entering the same on the check books of the depositors) to the respective persons by whom they were drawn. The Book keepers shall at all times when checks are presented to them by any of the Tellers, declare whether the amount mentioned in the said checks, is actually at the credit of the drawer, and if the Book-keeper shall declare the check to be good, and the person not having the amount thereof at his credit at the Bank, he shall be responsible for the sum overdrawn. In case of the sickness, or other necessary absence of the Cashier, his duty shall devolve on the first Book keeper.

Thirtieth.—It shall be the duty of the Discount Clerk, to enter in a blotter, all notes of hand, or bills of exchange offered

fered for discount, he shall cast the discount, shall record the same in a discount book, and shall note on the back of the presentation or cover the day of its being offered for discount, the number of the discount, the number of the note, the date thereof, the number of days it may have to run before it arrives at maturity, the amount thereof by whom it is drawn, and endorsed, and by whom presented for discount. He shall keep an account of all notes, bills and obligations paid at the Bank. He shall also keep a check-book, on which shall be stated each discount, and as payments thereof are made, the same shall be by him entered in said book, and when required by the Cashier, he shall exhibit the said accounts twice in each week balanced, or demonstrate to him why they do not balance; he shall keep an account of all bills, notes and obligations, which may be called for to be paid, and deliver the same to the Teller, and at the close of the business of each day, shall compare his account of notes, &c. delivered, with the Tellers account, and receipts therefore, and if the same do not agree, he shall immediately report the difference to the Cashier—he shall keep a book in which shall be stated the amount due on every discount day from each individual to the Bank, either as promisor or endorser; it shall also be the duty of the Discount Clerk with the assistance of the Messenger to enter in a book as soon as convenient after the same shall have been lodged at the Bank, all notes of hand, bills of exchange, and obligations left for collection, with the times they may fall due.

Thirty first.—It shall be the duty of the Messenger to make out and deliver notifications to the several parties, on all notes of hand, bills of exchange, bonds and obligations, as the same berome due at the Bank. He shall also make collection of money when directed thereto; he shall be accountable for whatever may be intrusted to his charge, and for all sums of money collected by him; he shall also be responsible to the Bank or to the parties concerned, as the case may be, for all losses arising from his negligence, errors, or omissions in performing the duties assigned to him; he shall every day make out a list of of the notes, bonds, and obligations, that may be due on the succeeding day, which list he shall take with him when he delivers the notifications,

and

and minute thereon, to whom, and at what place the notifications were delivered, whether at the dwelling house of the parties, at their usual places of business, at any place assigned by them for having their notifications left, or to the parties personally, and on his return to the Bank, he shall sign the said list, and deliver it to the Cashier, who shall examine and regularly file the same. It shall likewise be the duty of the Messenger, under the Direction of the Discount Clerk, to take charge of the notes and other obligations left for collection, to enter and file the same, to minute on the back or cover thereof, the names of the parties, the time when the same will fall due, and the interest due thereon.

Thirty second.—It shall be the duty of the Porter, to keep the Bank House and appurtenances clean and in good order. He shall remain constantly at the Bank while it may be open, either for public or private business, and shall not leave the same during the hours of business, on any account whatever, but by permission of the Cashier. He shall make the fires, and he shall light the lamps at the times he may be directed, and before closing the Bank at night, he shall examine every part of the building and appurtenances, and when the Bank is shut, he shall carry the keys to the ~~President~~ or ~~Vice-President~~, and have the same again at the Bank timely in the morning if required.

Thirty third.—The Solicitor of the Bank shall have the preference of the law business of the Bank, but he shall not receive any pay for such business, other than the usual professional fees for the services he may render.

Thirty-fourth.—The writing up of the depositors books may be divided among the several officers of the Bank, under such regulations as the Cashier may direct.

Thirty fifth.--The present assignment of duties to the several officers of the Bank, shall not exclude the right of the board to alter and increase the same at any time, as the interest of the Bank may in their opinion at any time require, and the respective officers thereof accept of their offices subject to this regulation.

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The Cashier and other officers of the Bank shall be entitled to receive their salaries in quarterly payments, or oftener if they require it, for which they will receive an order from the board.

Thirty sixth.—In case of the absence of either of the respective officers from the Bank, in consequence of sickness, or other unavoidable cause, it is their duty forthwith to acquaint the Cashier thereof, in order that arrangements may be made to supply their places until they can again enter upon their respective offices.

Thirty-seventh.—No officer or other person connected with the Bank shall directly or indirectly, in any way or manner whatever, take or receive any perquisite, reward, fee, or emolument, for any services done therein, other than the salary allowed by the Bank, and it shall be the particular duty of the Cashier, to see that this regulation is at all times carried into full effect, or to report any violation thereof to the Directors, as soon as he may obtain knowthereof.

Thirty eighth—The President, Vice-President, Cashier, and other officers of the Bank, shall subscribe an oath or affirmation to the following effect.

I do swear (or affirm) that I will to the best of my knowledge and abilities, perform the duties assigned to, and the trust reposed in me, as of the Montreal Bank, and keep secret the business thereof.

Thirty-ninth.—The President, Vice-President, Directors, and Cashier, shall on or before the third day of November next, make solemn oath, that they and each of them, will faithfully, and strictly preserve inviolable secrecy of all the transactions of the board of Directors at their meetings, either on special or general business, unless called upon to disclose the same in due course of law, or to render an account of their proceedings to the Stockholders, or when the same may be otherwise necessary.

Fortieth.—The Stock of this ~~Association~~ Corporation shall be transferable at the Bank only by such Stockholder, or his legal

representative in case of his death, or by his attorney specially authorised for that purpose, and thereupon such Stockholder shall surrender and deliver up his certificate, or receipt, and execute a transfer in such form as the Directors shall prescribe; and the President, or Vice President and Cashier, shall thereupon issue a new certificate to the person to whom the same is thus transferred, and in case such transfer shall not include the whole number of shares, specified in such certificate, or receipt, the original holder shall be entitled to a new certificate for the number of shares not so included, ~~and all persons holding such certificates shall be entitled to an equal dividend in proportion to their shares of the profits of the capital stock, as well as all other privileges and immunities as Member and Stockholder in the Banking Company~~.

Forty first.—The books and accounts of the Bank shall be regularly balanced on the third Monday's in the months of May and November in each year, at which time, the half yearly dividends shall be declared and published, as is directed by the ~~fundamental articles of this Association~~ *act of incorporation*.——The books of transfer shall be shut for twenty days immediately preceding each of the days appointed for balancing the books of the Bank, and declaring the half yearly dividend, and the Stockholders who shall stand in the books of the Bank, at the time when the transfer shall be so suspended, shall be entitled to receive such dividend of profits then to be declared and paid, and the same shall be paid to them or their attornies respectively.

Forty-second.—The Board of Directors for the time being, shall be a committee to consider, whether any, and if any, what alterations or amendments to the ~~fundamental articles of this association; it is expedient for the Stockholders to adopt, and to report thereon from time to time, at any meeting of the Stockholders.~~ *act of incorporation it may be expedient for the stockholders to apply for and to report thereon from time to time at any meeting of the Stockholders*

W. GRAY, Printer.

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RAY, Printer,
Stockholders

No transfer of stock shall be
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of the board and the transfers
shall take place the following
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Stockholders to be
Notified
Meeting of